GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy Department – Proposal for setting up 2,200 MW Pumped Hydro Storage Power Projects, 3,500 MW Solar Power and 1,500 MW Wind Power Projects by M/s. Indosol Solar Private Limited – Allotment of Captive Power Plants of 2,200 MW Pumped Hydro Storage Power Projects, 3,500 MW Solar Power and 1,500 MW Wind Power Projects in Nandyal, Kurnool and YSR Districts for energy requirement to the proposed Integrated Solar PV Manufacturing Unit at Nellore District– Orders – Issued.

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3. In the G.O 1st to 4th read above Government have issued orders providing incentives for large scale promotion of Wind Power, Solar Power and Wind-Solar hybrid Power Projects in the State of Andhra Pradesh.

4. In order to balance the variations in RE generation, reliable Energy Storage solutions are required. Though various energy storage technologies are available, Pumped Hydro Storage Power Projects (PSP) offer highest promise due to their flexible operation to balance the Variable Renewable generation in short span of time. Andhra Pradesh is in forefront in the country in identifying potential sites for promotion of Pumped Storage Hydro Power Projects. Techno-Commercial Feasibility Reports (TCFR) were prepared with an aggregate potential of 33,240 MW. Detailed Project Reports are under preparation for most viable locations in phased manner. Considering the huge capital investments required to establish PSP Projects, the Government is intending to encourage private investments in already identical PSP projects.

5. M/s. ISPL is setting up fully integrated Solar PV manufacturing industry from Poly-silica to Ingot-wafer to Cell to Module which is being set up in the State. M/s ISPL won the Production Linked Incentive Scheme announced by Govt. of India to promote domestic manufacturing and reduce imports of Solar Panels which also aligns with the Aatma Nirbhar Bharat Initiative of Govt. of India.

6. In the reference 5th read above, M/s Indosol Solar Pvt. Ltd. (ISPL), Hyderabad, have submitted the proposal to the Government to allocate the Captive Power Plants to meet their Power Requirements for the Green Field Vertically Integrated Solar Photovoltaic Manufacturing Unit for allocation of 1.50 GW Wind Power, 3.5 GW Solar Power and 2.2 GW Pumped storage power Projects:-

Captive Plants	Capacity	Location
Wind Plant	1.5 GW	Dhone West, , Gunduthanda Hebbatam
Solar Plant	3.5 GW	Kolimigundla (V), Kurnool District :1200 MW, Urinchintala, Ananthapur District: 600 MW, M. Kambaladinna (V): 600 MW, Thondur (V) : 400 MW, Kadapa District,Kambadur, Ananthapur District: 700 MW
Pumped Storage Plant	2 GW	Paidipalem North & East

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7. The estimated capital expenditure for proposed solar PV module manufacturing unit is indicated as Rs. 20,836 Crores in the 1st phase with a potential to create employment for more than 5,000 people in AP State. The project is expected to create huge employment opportunities to about 11,500 people directly and 10,000 -11,000 people indirectly in a phased manner (3 phases) over a period of 5 years. The manufacturing facility being set up by M/s. ISPL is highly energy intensive and requested the Government for allocation of PSP, Solar and Wind Power Projects to meet the captive power requirements thereby reducing the cost of power for their manufacturing facility will bring down the cost of manufacturing of solar cell and they can compete with International Market. In the case of Captive Power Plants an amount of Rs.25,000 crores of revenue to the Government and 11,000 persons will get direct and indirect employments with the proposed project.

8. The proposal of M/s. Indosol Solar Pvt. Ltd. has been placed before State Investment Promotion Board (SIPB) meeting held on 05.09.2022. The SIPB has taken the following decisions:

i. Allotment of Pumped Storage Hydro Power (PSP) Projects and Solar Power and Wind Power Projects as follows:

   a. Paidipalem East Pumped Storage Power Project in YSR Dist.– 1200 MW
   b. Paidipalem North Pumped Storage Power Project in YSR Dist.– 1000 MW
   c. Solar Power in Kolimigundla mandal, Kurnool District - 3500 MW
   d. Wind Power in Dhone West and Hebattam of Holagunda mandal, Kurnool District –1500 MW

ii. Extend Mega Industrial Project Status to the project to facilitate single window clearances. NREDCAP will be the Nodal Agency. However, no incentives will be provided.

iii. Allotment and alienation of revenue land available if any at the PSP project locations on outright sale basis @ Rs. 5.00 lakhs per acre or on lease basis with lease rentals of Rs.31,000/acre with an annual escalation of 5% for every two years, based on the option of the Project developer at Simhadripuram Mandal, YSR District.

iv. Allotment of project areas and allocation of revenue lands available if any in the proposed project locations for Solar and Wind power projects on lease basis with lease rentals of Rs.31,000/acre with an escalation of 5% for every two years without overlapping with the capacities of other developers as per

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the provisions of AP Solar Power Policy 2018 and AP Wind Power Policy 2018 read with AP RE Export Policy 2020. The land allocation shall not exceed 3 acres per MW in case of Solar Power projects and 2.50 acres power projects at Kolimigundla (Mandal) Nandyal District / M.Kambaladinne (V) and Kadarabad of Mandal, YSR District for Solar Projects and Dhone West, Dhone (Mandal) for Wind Projects.

v. Allocation of 3.0 TMC of water on one-time non-consumptive basis and 0.45 TMC water towards annual evaporation losses from the existing Paidipalem Reservoir as per the Industrial Water Supply Policy / Guidelines and subject to guidelines issued by the Water Resources Department.

vi. Green Energy Development Charge shall be levied for the component of Pumped Storage Power Project @ - Rs 1 lakh/ MW of installed capacity/year for first 25 years from the date of commissioning of the project and @ of Rs 2 Lakhs/ MW installed capacity/year thereafter.

vii. Govt. of Andhra Pradesh will support and facilitate the project for availing grants of special category projects under central Govt. schemes.

viii. Govt. of Andhra Pradesh will facilitate the project for availing benefits provided as per National Energy Storage Policy without any financial commitment from Govt. of Andhra Pradesh.

ix. Payment of Rs. 50,000 per MW to the Nodal Agency (NREDCAP) for PSP capacities towards registration charges within two months from the date of allocation of the projects by the Government.

x. Payment of Statutory fee and charges to NREDCAP for Wind and Solar Power capacities within two months from the date of allocation of the projects by the Government.

xi. Reimbursement of actual expenditure incurred by the NREDCAP by the developer, towards preparation of Feasibility Reports, Detailed Project Report, carrying out various field investigations and expenditure towards obtaining various clearances of the said PSP projects as and when demand notice is raised by NREDCAP.

xii. The project completion timelines in case of PSP projects is 6 Years and in case of Wind and Solar Power project is 2 years from the date of handing over of revenue lands available if any at the proposed project locations.

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9. Government after detailed examination of the proposal of M/s. Indosol Solar Pvt. Ltd., in consultation with various stakeholders i.e, Revenue Dept., EFS&T Dept./ WRD Department. APTRANSCO in the light of the decisions taken in the State Investment Promotion Board, have decided to extend the incentives as per the decisions of State Investment Promotion Board as per the incentives given to the Adani Green Energy Limited/Greenko Energies Private Limited in the case of Pumped Storage Projects and Policies of Solar, Wind and Hybrid Policies of 2018 issued by the Govt in the G.Os 1st to 4th read above.

10. Accordingly, the Government here by issue the following orders:-

i. 2200 MW of Pumped Storage Hydro Power (PSP) Projects, 3500 MW of Solar Power and 1500 MW of Wind Power Projects are allotted to M/s. Indosol Solar Pvt. Ltd. at the following locations:

Sl.No.	**Project Component**	**Project Location**	**Capacity**
1	Pumped Storage Hydro Project	Paidipalem East, Simhadripuram Mandal, YSR Dist.	1200 MW
2	Pumped Storage Hydro Project	Paidipalem North, Simhadripuram Mandal, YSR Dist.	1000 MW
3	Solar Power	Kolimigundla mandal, Kurnool Dist., M Kambaladinne & Kaderabad villages of Mylavaram Mandal, YSR Dist.	3500 MW
4	Wind Power	Dhone West and Hebattam, Holagunda mandal, Nandyal/ Kurnool Districts.	1500 MW
Total			**7,200 MW**

ii. Mega Industrial Project Status has been accorded to the project to facilitate single window clearances. NREDCAP will be the Nodal Agency. However, no incentives will be provided.

iii. Allotment on lease basis/ alienation of revenue land available if any at the PSP project locations either on outright sale basis @ Rs. 5.00 lakhs per acre or on lease basis with lease rentals of Rs.31,000/acre with an escalation of 5% for every two years, based on the option of the Project developer at Simhadripuram Mandal, YSR District.

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iv. Allotment of project areas and allocation of revenue lands available if any in the proposed project locations for Solar and Wind power projects on lease basis with lease rentals of Rs.31,000/acre with an escalation of 5% for every two years without overlapping with the capacities of other developers as per the provisions of AP Solar Power Policy 2018 and AP Wind Power Policy 2018 read with AP RE Export Policy 2020. The land allocation shall not exceed @ 3 acres per MW in case of Solar Power projects in Kolimingundla Mandal, Kurnool District and M.Kambaladinne and Kaderabad villages of Mylavaram Mandal, YSR District for Solar Projects and @2.50 acres per MW at Dhone West, Dhone Mandal and Hebbattam village, Holagunda Mandal , Kurnool District in case of Wind Projects.

v. Allocation of 3.0 TMC of water on one-time non-consumptive basis and 0.45 TMC water towards annual evaporation losses from the existing Paidipalem Reservoir as per the Industrial Water Supply Policy / Guidelines and subject to guidelines issued by the Water Resources Department.

vi. Green Energy Development Charge shall be levied for the component of Pumped Storage Power Project only @ - Rs1 lakh/ MW of installed capacity/year for first 25 years from the date of commissioning of the project and Rs 2 Lakhs/ MW installed capacity/year thereafter.

vii. Govt. of Andhra Pradesh will support and facilitate the project for availing grants of special category projects under Central Govt. schemes.

viii. Govt. of Andhra Pradesh will facilitate the project for availing benefits provided as per National Energy Storage Policy without any financial commitment from Govt. of Andhra Pradesh.

ix. Registration Charges of Rs. 50,000 per MW shall be paid to the NREDCAP for PSP capacities within two months from the date of this order.

x. Statutory fee and charges to NREDCAP shall be paid for Wind and Solar Power capacities within two months from the date of this order.

xi. Actual expenditure incurred by the NREDCAP towards preparation of Feasibility Reports, Detailed Project Report, carrying out various field investigations and expenditure towards obtaining various clearances of the said PSP projects shall be reimbursed / paid by M/s. Indosol Solar Pvt. Ltd. as and when demand notice is raised by NREDCAP.

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xii. The allocated projects shall be executed and commissioned within a period of 6 (Six) years from the date of handing over of revenue lands available if any at the proposed project locations, failing which the entire land shall be resumed back to the Government.

xiii. The Forest Department shall extend necessary support and facilitate to carry out surveys and investigations in forest areas and diversion of forest lands.

11. The Revenue Department/ EFS & T/ Industries & Commerce/ Water Resources Department/ APTRANSCO shall take necessary action accordingly with respect to their issues mentioned at para 10 above.

12. The Vice Chairman & Managing Director, New and Renewable Energy Development Corporation of Andhra Pradesh Ltd.,, Tadepalli shall take further necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

K. VIJAYANAND
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
M/s Indosol Solar Pvt. Ltd., 6-3-879/B, 3rd Floor, G Pulla Reddy Sweets Buildings, Begumpet, Hyderabad-500 016.
The Vice Chairman & Managing Director, NREDCAP, Tadepalli.
The Chairman & Managing Director, APTRANSCO, Vidyuth Soudha, Vijayawada.
The Chief Commissioner of Land Administration & Special Chief Secretary to Government, APIIC Towers, Mangalagiri.
The Special Chief Secretary to Government, Revenue Department.
The Special Chief Secretary to Government, Finance Department.
The Special Chief Secretary to Govt., Industries & Commerce Department.
The Special Chief Secretary to Government, EFS&T Department.
The Principal Secretary to Government, Water Resources Department.
The Principal Chief Conservator of Forests, GoAP, Guntur.
The Collector & District Magistrate, Kurnool District.
The Collector & District Magistrate, Nandyal District.
The Collector & District Magistrate, YSR District.

Copy to:
The Commissioner of Industries, Vijayawada.
The Managing Director, APGENCO, Vidyuth Soudha, Vijayawada.
The Chairman & Managing Director, APSPDCL, Tirupati.
The Chairman & Managing Director, APCPDCL, Vijayawada.
The Chairman & Managing Director, APEPDCL, Visakhapatnam.

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The P.S to Special Chief Secretary to Chief Minister.
The P.S. to Secretary to Chief Minister.
The P.S. to Minister for Energy, FES & T and Mines & Geology.
The P.S., to Special Chief Secretary to Government, Energy Dept.
Sf/Scs.

//FORWARDED::BY ORDER//

K. Rao.
SECTION OFFICER